THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASEKHAR MURTHY) : (a) to (c) No, Sir. Review of the Export and Import Policy is an on-going and continuous process and changes are made from time to time as and when considered necessary.

Constitution of Settlement Commission (E&C)

1972. SHRI J. S. RAJU:

SHRI SANJAY DALMIA: Will the Minster of FINANCE be pleased to state :

(a) whether Government propose to constitute any Settlement Commission ior early disposal of the pending cases of excise duty; and

(b) if so, the details thereof and the time by which the said commission is likely to start functioning ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASEKHAR MURTHY) : (a) and (b) The proposal is under consideration of the Government.

Soft Loans by World Bank

1973. SHRIMATI VEENA VERMA: SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:

Will the Minister of FINANCE be pleased to state:

(a) whether the International Development Association (IDA) met in Washington in September this year to consider amongst others, the grant of soft loans by World Bank; and

(b) if so, the IDA soft loans granted te India and China during 1992-93, 1993-94 and that for 1994-95, indicating the respective demands made for such loans ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) The Annual Meetings of the World Bank and the IMF were held in October, 1994. The decision regarding loans arc not taken during the Annual Meetings but are takea by the Board of tbe IBRD and IDA. These loans are considered and approved by the IDA Board throngout the fiscal year.

(b) The IDA soft loans committed to India and China during 1992-93, 1993-94 and 1994-95 are as follows:

(In US $ million)

	India	China
1992-93 . .	1368	917
1993-94 . .	1025.1	680
1994-95 . .	491.7	735

Entry by US Banks

1974. SHRI JAGESH DESAI: Will the Minister of FINANCE be pleased to state:

(a) whether US Banks have any plan to enter into India; and

(b) if so, the terms and conditions under which they are expected to enter India ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Reserve Bank of India (RBI) has reported that US banks viz. Citibank, Bank of America and American Express Bank Ltd. are already functioning in India. RBI have also issued a licence to Chase Manhattan Bank to open a branch in India and the bank opened its branch on 21-9-1994.

(b) RBI has reported that the terms and conditions for foreign banks entering India do not differ from country to country. While considering requests from foreign banks for setting up a branch in India, the principles of reciprocity, financial position and soundness of the bank, its branch network across the globe, capital and assets size, international standing of the bank as well as its standing in the country of its incorporation, national advantage and economic and financial/trade relations between the two countries besides the system obtaitiing in the country on supervision of banks, are taken, into consideration. RBI has further reported that foreign banks desirous of opening a branch in India will have to bring in US $ 10m as an assigned capital while opening their first branch, which is increased to US $ 20m, when the second branch is opened and to US $ 25m when the third branch is opened. The foreign banks operating in India are also required to maintain in India capital funds of an amount equivalent to 8% of the risk weighted assets of Indian operations.

Agreement Signed with Mauritius

1975. SHRI V. NARAYANASWAMY: will the Minister of FINANCE be pleased to state:

(a) whether an agreement for a $ 3 *2* million Indian credit to Mauritius has recently been signed by the Finance Ministers of India and Mauritius; and

(b) if so, the estimated capital goods, expected to be exported to that country from India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir.

(b) The entire credit is meant for export of capital goods including irrigation equipment and transport vehicles.